

Draft Minutes #1
Board of Finance Regular Meeting
February 10, 2009
Room 119 7:30 PM

The meeting was called to order by Chairman Murry Stegelmann at 7:40 PM. All members were present except for Mr. Tom Volpe. Kate Clarke Buch, Finance Director, was also present. Channel 79 did not broadcast the meeting, nor was the meeting taped.

FINANCIAL - Recommendation to Refund Certain Bonds

Kate Buch introduced Mark Chapman, Director of the firm Independent Bond & Investment Consultants LLC. Mr. Chapman explained that because current municipal bond yields are very low, Darien currently has an excellent opportunity to call existing municipal bonds and refund them with bonds issued at a lower cost. The opportunity is not conventional in that the town would save on the principal amount as opposed to the usual opportunities to save on the interest rate. Mr. Chapman distributed a presentation outlining the opportunity. In response to questions, he indicated that the costs to the town would be about \$200,000, but that the savings would be about \$1,000,000 on a present value basis.

After discussion, Ms. Mao made a motion to appoint Mark Chapman of IBIC as advisor for the proposed refunding of bonds up to \$35,000,000 and to appoint a subcommittee of Mr. Stegelmann, Mr. Zagrodzky and Ms. Mao to work on terms and select the underwriter(s). The motion was seconded and approved 6-0.

TRANSFERS OVER \$5,000

Mrs. Linda Santarella, member of the Board of Selectmen, and Mr. Pat D'Arinzo of the DPW presented the lighting plan for the front of Town Hall. The basic plan is to replace existing lights, some of which are failing, with new technology LED lighting. Mrs. Santarella said the lighting in front of Town Hall had become a safety issue and that the proposed plan was supported by the Board of Selectmen.

Mr. D'Arinzo said the new lights would be 2/3 less expensive to operate and would require less maintenance and energy. He also said the town's Public Works department would do the installation. Ms. Mao made a motion to approve the requested transfer of \$42,000 for the project, but it was not seconded. Ms. Mogenson made a motion to adopt a sense of the meeting that the Board of Finance would like the Board of Selectmen to include the project in its budget for the next fiscal year. The motion was seconded and approved by a vote of 5-1 (Ms. Mao voted no.)

TRANSFERS UNDER \$5,000

The department of Public Works requested a transfer of \$1,619 from the Sewer Use Charge and \$1,000 from the Telecommunication Expense account to the Potable Water account. Ms. Mogenson made a motion to approve the transfer. It was seconded and approved 6-0.

CONTINGENCY TRANSFERS

Ms. Banks made a motion to approve the transfer of \$2,755 from the Contingency account to the Software Maintenance and Support account to enable assessment data to be put online. The motion was seconded and approved 6-0.

The Police Department requested funds to take care of pressing maintenance items that had been postponed in light of the new building program. Ms. Mogenson made a motion to transfer \$52,535 to Police Department Renovations account from Contingency. The motion was seconded and approved 6-0.

FINANCIAL REPORT

Kate Clarke Buch gave the financial report, and indicated that as of February 10, property tax collections were at 96% of the budgeted amount, which is 98.5 % of the total tax liability. Ms. Buch considered this a positive and plans to monitor collections closely for the rest of the month.

Setting of the Interest Rate for Elderly Tax Deferrals

Ms. Banks made a motion to approve the tax rate for elderly tax deferrals at 2.22 %. The motion was seconded and approved 6-0.

APPROVAL OF MINUTES

December 16, 2008: on page 4 the minutes were amended to indicate Ms. Mogenson made a motion to go to "Other Business." On page 1, "volunteers" were changed to "workers." Ms. Bora made a motion to approve the minutes as amended. The motion was seconded and approved 4-0-2 (Ms. Banks and Ms. Mao abstained)

Ms. Mao made a motion to approve the minutes of January 20, 2009. The motion was seconded and approved 6-0.

SPECIAL ASSIGNMENT UPDATES

Ms. Mao reported that Mrs. Klein had asked George Reilly, head of the Police Department Building Committee, to proceed to obtain a building permit for the new Police Department. The Committee is hopeful the building might qualify for Federal stimulus funds.

Ms. Bora reported that the final report on the Library property will be discussed and approved on February 12.

Mr. Stegelmann reported he will be meeting with chairs of other towns' Boards of Finance on February 26th.

Ms. Bora made a motion to adjourn. The motion was seconded and unanimously approved. The meeting was adjourned at 9:47 PM.

Respectfully submitted,

Elizabeth Smith Mao, Clerk